

AMENDED IN ASSEMBLY JANUARY 24, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 30

Introduced by Assembly Member Perea

December 3, 2012

An act to amend Section 13477.6 of the Water Code, relating to water quality.

LEGISLATIVE COUNSEL'S DIGEST

AB 30, as amended, Perea. Water quality.

Existing law, the Porter-Cologne Water Quality Control Act (*state act*), establishes the State Water Pollution Control Revolving Fund program pursuant to which state and federal funds are continuously appropriated from the State Water Pollution Control Revolving Fund (*fund*) to the State Water Resources Control Board for loans and other financial assistance for the construction of publicly owned treatment works by a municipality, the implementation of a management program, the development and implementation of a conservation and management plan, and other related purposes in accordance with the ~~federal Clean Water~~ *Federal Water Pollution Control Act* and the state act. Existing law authorizes the board, until 2014, to assess a specified annual charge in connection with any financial assistance made pursuant to the revolving fund program in lieu of interest that otherwise would be charged and requires the proceeds generated from the imposition of ~~the annual that charge in lieu of interest~~ to be deposited in the State Water Pollution Control Revolving Fund Small Community Grant Fund (grant fund), along with any interest earned upon the moneys in the grant fund. Existing law provides that the ~~annual charge in lieu of interest~~ remain unchanged until 2014, at which time it will terminate and be replaced

by an identical interest rate, and prohibits the deposit of more than \$50,000,000 into the grant fund. Existing law authorizes the board to expend the moneys in the grant fund, upon appropriation by the Legislature, for grants for eligible projects under the revolving fund program that serve small communities, as defined.

This bill would *eliminate the requirement that the charge remain unchanged until 2014 and instead would authorize the board to assess the charge in lieu of interest until 2019 without change unless the board determines that application of the charge is not consistent with federal requirements regarding the fund, at which time the board would be required to replace the charge with an identical interest rate. This bill would eliminate the prohibition on the deposit of more than \$50,000,000 collected by the charge into the grant fund.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 13477.6 of the Water Code is amended
2 to read:
3 13477.6. (a) The State Water Pollution Control Revolving
4 Fund Small Community Grant Fund is hereby created in the State
5 Treasury.
6 (b) The following moneys shall be deposited in the grant fund:
7 (1) Moneys transferred to the grant fund pursuant to subdivision
8 (c).
9 (2) Notwithstanding Section 16475 of the Government Code,
10 any interest earned upon the moneys deposited in the grant fund.
11 (c) (1) For any financing made pursuant to Section 13480, the
12 board may assess an annual charge to be deposited in the grant
13 fund in lieu of interest that would otherwise be charged.
14 ~~(2) Any amounts collected under this subdivision shall be~~
15 ~~deposited in the grant fund, not more than fifty million dollars~~
16 ~~(\$50,000,000) shall be deposited in the grant fund.~~
17 ~~(3)~~
18 (2) (A) The charge authorized by this subdivision may be
19 applied at any time during the term of the financing, and once
20 applied, shall remain unchanged until 2019, at which point it shall
21 terminate and be replaced by an identical interest rate. The *unless*

1 *the board makes the determination described in subparagraph*
2 *(B).*

3 *(B) If the board determines that application of the charge is not*
4 *consistent with federal requirements regarding the fund, the board*
5 *shall cease the collection of the charge and shall replace the*
6 *charge with an identical interest rate.*

7 *(3) The charge shall not increase the financing repayment*
8 *amount as set forth in the terms and conditions imposed pursuant*
9 *to this chapter.*

10 (d) (1) Moneys in the grant fund, upon appropriation by the
11 Legislature to the board, may be expended, in accordance with
12 this chapter, for grants for projects described in subdivision (a) of
13 Section 13480 that serve small communities as defined in
14 subdivision (a) of Section 30925 of the Public Resources Code.

15 (2) For the purpose of approving grants, the board shall give
16 priority to projects that serve severely disadvantaged communities.